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Dear Senator Hayden,

With regard to the new headquarters building for the Central Intelligence Agency, the Congress appropriated \$54,500,000 of which not more than \$8,500,000 is for the extension of the George Washington Memorial Parkway from its present terminus near Spout Run to the site which we have selected on Government-owned property near Langley in Fairfax County, Virginia; the remaining \$46,000,000 is for the building itself.

Our original plans contemplated a building which would accommodate all of our activities and personnel in Washington in one building. Based on these plans, we estimated that we would effect tangible savings of \$3,200,000 per annum. Since our original estimate and request were presented to the Congress in the spring of 1955, our requirements have been the subject of much planning and study by our architect and the Public Building Service of the General Services Administration. I am advised that it would be impossible to construct a suitable office building of adequate size to accommodate the entire headquarters within the present authorization. Due to rising construction costs and other factors, it is now estimated that it would require approximately \$59,000,000 to construct a relatively austere building in accordance with our original plans.

In accordance with the Administration's policy of proceeding now with only essential construction projects and of avoiding new legislation which would involve an increase of new obligational authority, we are proceeding with our plans to construct a building for \$46,000,000 which will make it necessary for us to provide other space in the Washington area for approximately

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Although it is highly desirable to have a building which is adequate to house all of our Washington activities and personnel, it would be feasible to add to the new building or construct a separate building at the same location to accommodate the remainder of our employees at a later date. Pending such additional construction, annual savings would be reduced from \$3,200,000 to something less than \$1,500,000.

We earnestly hope, in the interest of both efficiency and economy, that it will be possible at some future date to request additional funds which will permit us to accommodate all of our activities and personnel at one location.

Sincerely,

Allen W. Dulles  
Director